

REMARKS/ARGUMENTS

In response to the Examiner's further Office Action of July 19, 2007 issued with respect to the present RCE application, the Applicant respectfully submits the following Remarks.

Regarding 35 USC 102(b) and 103(a) Rejections

It is respectfully submitted that the subject matter of pending independent claims 1 and 6, and dependent claims 3 and 4, is not disclosed or suggested by previously cited Koenig, for at least the following reasons.

The Examiner contends that Koenig discloses a first integrated circuit that is configured to store "state information on the consumable (power from the computer, column 3 lines 32-38)".

However, Koenig discloses at col. 3, lines 32-38 that the authenticating device has "only two ports: a power port (battery and ground) and an I/O port" where the "I/O port is connected to a microprocessor which has access to a memory that contains the secret encryption function".

Koenig further specifically discloses at col. 5, lines 6-26, that the processor 31 communicates with the two-way communication link "via the I/O port", that the memory device 32 "communicates only with processor 31", and that the "power port merely supplies the necessary power to coder 30 and cannot divulge any information".

From these specific disclosures of Koenig, one of ordinary skill in the art understands that the power port in no way communicates with the memory device and microprocessor, because if this was the case, then information stored by the memory device could be divulged through the power port, which is contrary to the arrangement disclosed by Koenig.

Thus, even if one could consider the power delivered through the power port of Koenig to be "state information" as contended by the Examiner, Koenig specifically teaches away from storing such power information in the memory device or making such power information available to the microprocessor.

It is respectfully submitted that all of the Examiner's rejections have been traversed. Accordingly, it is submitted that the present application is in condition for allowance and reconsideration of the present application is respectfully requested.

Very respectfully,

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